

## **FISCAL NOTE**

### **HB 3935 - SB 4073**

February 22, 2008

**SUMMARY OF BILL:** Permits students who are eligible for free or reduced-price lunch regardless of individual or school performance to be enrolled in a public charter school to fill any openings for the following academic year. Current eligibility is based on their school's adequate yearly progress and student test scores. Removes sunset provision repealing creation of new public charter schools on July 1, 2008.

#### **ESTIMATED FISCAL IMPACT:**

**Other Fiscal Impact: Regular public school students eligible for free and reduced lunch may transfer into charter schools. BEP money follows the student. Students not in this category will still be eligible for charter school attendance. The total shift in funds from a local education agency to a public charter school is a reflection of the total number of slots available, not a shift of students from the new category. Such a shift in funds is estimated to be \$474,300.**

#### Assumptions:

- Making more children eligible to attend charter schools will not increase the number of available slots in charter schools. The total number of students who will shift from a regular public school into a charter school equals the number of open slots.
- Charter schools must amend their charter to increase their capacity and will not do so as a result of this bill.
- Currently there are 12 charter schools. According to the Comptroller, all charter schools, except one, Smithson-Craighead Academy in Metro-Nashville are operating at full capacity.
- Smithson-Craighead Academy has a current enrollment of 205 students and a capacity of 251 students. The Academy has 51 open slots. Making students eligible for charter schools will result in additional students transferring to this charter school to fill all of the open slots.
- Metro-Nashville's per pupil expenditure is approximately \$9,300. The total shift in funding will be approximately \$474,300 (51 students x \$9,300 = \$474,300).

**CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director

/msg